

**ACCOUNTING EXAMINING BOARD
MINUTES
MADISON, WISCONSIN
MAY 7, 1999**

PRESENT: Frank Probst, Roman Jungers, Jim Johnson, Frederick Franklin (by telephone)

EXCUSED: Bobbette Overby, Sharon Hamilton, Thomas Kilkenny

STAFF PRESENT: Alfred Hall, Donald Rittel, Jan Neitzel; Jan Bobholz was present for portions of the meeting.

GUESTS: Arland Stone-WAA
LeRoy Schmidt-WI CPA

CALL TO ORDER

The meeting was called to order at 9:10 a.m. by Frank Probst. A quorum of four members was present.

AGENDA

MOTION: By consensus, the Board approved the agenda for March 19, 1999, as published.

MINUTES (3/19/99)

MOTION: Jim Johnson moved, seconded by Roman Jungers, to approve the minutes as written. Motion carried unanimously.

ADMINISTRATIVE REPORT

Secretary Cummings' Report

Nothing to report.

Bureau Directors Report

The Board received a copy of NASBA's April 1999, "Review of Substantial Equivalency under UAA".

Alfred Hall reported that at NASBA'S April 24, 1999, meeting the Regional Directors Report and Substantial Equivalency Chart were approved.

Applications Reviewed

The following applicants for public accounting were issued a credential, pursuant to staff delegation. Applicants applied, based on examination, transfer of credit from another state (identified by #) and endorsement of license from another state (identified by *).

FOR REGISTRATION AS A CERTIFIED PUBLIC ACCOUNTANT

APPLICATIONS REVIEWED -Approved 26

BASLER, SCOTT G	5/4/99	GOLDEN, KATHY L	5/3/99
BENOIT, DARLA	5/4/1999*	GUENTHER, KIMBERLY R	4/30/99
BUROS, JENNIFER	4/30/99	HELLRUNG, SCOTT A	5/5/99
CALDERON, JAMES D	5/05/99)	JOHNSON, MICHELLE A	4/19/99
CLEMENS, TODD C	3/19/99	KAISER, LINDA M	4/19/99
CURLISS, DERON M	4/6/99	KRAUSE, DAWN	5/4/1999
DILLING, JULIE L	5/5/99	LARDINOIS, TIMOTHY J	5/4/1999
DREIKOSEN, TERESA M	5/4/1999	NAULT, PAULA G	5/5/99
DUGAN, BRIAN T	4/30/99	PROPSON, TINA M	5/4/99
DYE, SHARY	4/21/99	RENNER, TRISHA	4/30/99
FITZPATRICK, CARA	4/30/99	SAMPLE, D LEROY	3/29/99)
FOCHS, MARY	4/21/99	TROESTER, NANCY K	4/6/99
FREDRICKSON, KIMBERLY	5/3/99	WOELL, JAMES M	5/4/99*

To Pass Folder

Information was circulated in the To Pass Folder and duly noted.

LEGISLATIVE UPDATE

Nothing to report.

ADMINISTRATIVE RULES

Nothing to report.

PRACTICE ISSUES

Nothing to report.

EXAMINATION ISSUES

Discussion of PES Survey

AICPA is doing more marketing research in preparation for the examination changes.

Examination Ownership

The Board received a copy of a letter dated April 8, 1999, from H.E. Mikkelsen, CPA.

The Board received a copy of the April 7, 1999, "Analysis of Issues Related to the Ownership of the Uniform CPA examination".

The Board received a copy of the 1997 Glossary of AICPA and NASBA Entities Relative to the Development, Administration, and Grading of the Uniform CPA Examination.

The Board received responses from the public regarding NASBA's wanting to own the accounting exam.

Response to Mikkelsen's Letter

The Board received a copy of a letter dated April 14, 1999, from David A. Costello, CPA. Noted.

Response to Issue Paper: Regulatory Role of Uniform CPA Examination

The Board received a copy of the April 15, letter from Roberta W. Stebbins. Noted.

The Board received a copy of the February 2, 1999, letter from Carol Sigmann. Noted.

Uniform CPA Examination

The Board received a copy of the April 16, 1999, letter from Craig N. Mills. Noted.

STRATEGIC PLANNING

Discussion of the Uniform Accountancy Act

- Comparison of UAA and Wisconsin CPA requirements regarding: Attest Service, Experience to Perform Attest Service, Safe Harbor Language, Interstate Reciprocity.

The Board received a copy of a memo dated April 26, 1999, from Don Rittel.

Attest Service

Don Rittel explained that “Attest Services” is not included in Wisconsin Statutes, but is included in the administrative rules of the Board and is for the purpose of audits, reviews, compilations, and examinations of prospective financial information. Only licensed CPA’s may perform these services.

Experience to Perform Attest Service

Don Rittel explained that adoption of the UAA would add to Wisconsin’s requirements the need for experience subsequent to licensure in order to perform the “Attest Services”.

Safe Harbor Language

Don Rittel stated the Safe Harbor Language means, when using the attest services and the SARS language in preparing a compilation, that the individual must be a CPA unless they clarify, in language, that they are not a CPA.

Interstate Reciprocity

Don Rittel stated that to work permanently in another state the UAA requires 4 years of experience at the senior level as part of the 10 years of experience, and the continuing education requirements must be met. Wisconsin requires 5 years of experience at the senior level within 10 years.

NASBA

The Board received a copy of the April 1999, NASBA Qualification Appraisal Service: Review of Substantial Equivalency under UAA.

Frank Probst reported he received the NASBA Substantial Equivalency Chart, and Wisconsin was among the 22 states that passed UAA’s substantial equivalency. even though NASBA’s Substantial Equivalency Chart shows Wisconsin as substantially equivalent, the UAA believes Wisconsin is “deficient” because the state considers a minimum grade of 50 to be passing, if three sections are passed at one time.

The Board also discussed the meaning of Substantial Equivalency to Wisconsin accountants and the importance of adopting the Enabling Act to finalize their ability to work temporarily in other states. The Enabling Act would also enable accountants in other states to work temporarily in Wisconsin.

New Horizon Discussion Points

The Board received a copy of discussion points from NASBA's Horizons Committee. Noted.

Eastern Regional Meeting

The Board received a copy of the itinerary for the Eastern Regional meeting to be held in Baltimore on June 2-4, 1999. Noted.

AICPA

Study Group Participants for Uniform CPA Examination

The Board received a copy of the April 22, 1999, letter from Elizabeth Trabue.

The Board discussed the job responsibilities and the requirements needed to participate in the study group.

BOARD MEMBER ACTIVITY

Accounting Test Site-Madison

Jim Johnson reported he attended the Madison test site for the last test and stated that the exam was "very well run."

MISCELLANEOUS CORRESPONDENCE/INFORMATION

Barbara Showers reported the Department of Regulations and Licensing staff were not at the recent accounting exam. There were several applicants at the Department of Regulation and Licensing Building, along with staff.

The Board requested that Barbara Showers supply quantitative data from the last 4 accounting exams reflecting the number of participants at each site.

The Board was advised that there has been a decline in the number of candidates taking the accounting exam. The Board will discuss the decline in participants at the next meeting.

Barbara Showers advised the Board that special provisions are made for participants who need them when taking the accounting exam.

CPE and Peer Review

The Board was advised that Wisconsin is the only state that does not participate in CPE and Peer review.

The Board will discuss CPE and Peer review at the next board meeting.

A public hearing also will be held to discuss these issues.

Angoff method of examination evaluating

Barbara Showers stated that the “Angoff” method of evaluating examinations is considered the current best approach and is widely accepted by all of the professions.

Regional Meeting

The Board stated that the previous regional meeting was in San Juan and was attended by one of the board members. The next meeting will be in Baltimore, Maryland, and Frank Probst will be the Boards representative.

NEW BUSINESS

Nothing to report.

RECESS TO CLOSED SESSION

MOTION: Roman Jungers moved, seconded by Jim Johnson to convene the meeting in Closed Session pursuant to Sections 19.85(1)(a), (b), and (f), Wis. Stats., to consider the licensing or discipline of a person licensed by the Board or the investigation of charges against such a person. Specifically, to discuss the issue of case status reports, case closings, monitoring issues, reinstatement requests, examination issues, deliberations on stipulations that may be signed after printing of the agenda, pending applications, and disciplinary proceedings. Motion carried unanimously by a roll call vote: Roman Jungers-yes; Jim Johnson-yes; Frederick Franklin-yes; Frank Probst- yes.

Open Session recessed at 10:33 a.m.

CLOSED SESSION

The Board received a copy of the Division of Enforcement Case Status Report.

The Board deliberated on pending applications and case closures.

RECONVENE IN OPEN SESSION

MOTION: Roman Jungers moved, seconded by Jim Johnson, to reconvene the meeting in Open Session at 11:35 a.m. Motion carried unanimously.

VOTING ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION

CASE CLOSINGS

MOTION: Jim Johnson moved, seconded by Roman Jungers, to close the following two cases. Motion carried unanimously.

98ACC023 Mark Smetters
98ACC020 Patricia Yates

APPLICATION REVIEW

MOTION: Roman Jungers moved, seconded by Jim Johnson, to approve the following applications reviewed on March 19, 1999. Motion carried unanimously.

FOR REGISTRATION AS A CERTIFIED PUBLIC ACCOUNTANT-Approved 29

Applicants applied based on examination, transfer of credit from another state (identified by #) and endorsement of license from another state (identified by *).

ADASHEK, VIVIAN N
ANTINOJA, THOMAS D
BAUMGART, RICHARD J
BRILL, PATRICIA A
CHRISTENSEN, AMY M
DRAHN, DANA J
FRONSEE, JULIE K
HARTMAN, PAUL A
HINTZ, GINGER L
HIRN, RONALD R JR
JOSEPOWITZ, JENNIFER
KIRCHNER, CYNTHIA J
KLAJBOR, JEAN M
KLEIST, AMY M
KRIENITZ, KURT A

LANGEMAK, KRISTIN K #
MADUSCHA, KIM M
OLSON, CHAD S
PANNOZA, COSTANCE A
SADOWSKI, KEITH A
SCHROEDER, CARRIE J
SWIECICHOWSKI, SANDY
VASZILY, MICHAEL G
VOGEL, DAWN #
WEAVER, RANDY C
WEGNER, MELISSA
WITMER, ANGELA
YALE, JAMES A#
ZWICKI, JOHN P

MOTION: Roman Jungers, seconded by Jim Johnson to issue an intent to deny and request additional information on the following applications. Motion carried unanimously.

Intent to deny-3

DUROCHER, LAURI T
LEE, RITA W
WHITE, LOWELL G

MOTION: Roman Jungers moved, seconded by Jim Johnson, to deny the following applications. Motion carried unanimously.

Deny-6

CELICHOWSKI, STEVEN J
DVORAK, JANE M
FRANK, STEVEN J
NOVELL, RICHARD S
SELLNOW, PATRICIA
WEBER, CLIFFORD A

ADJOURNMENT

MOTION: Jim Johnson moved, seconded by Roman Jungers, to adjourn the meeting at 11:37. Motion carried unanimously.